BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2009-411-G - ORDER NO. 2014-366

APRIL 18, 2014

IN RE: Application of Piedmont Natural Gas
Company, Incorporated for Approval of
Energy Efficiency Programs

Description of Piedmont Natural Gas
Company, Incorporated for Approval of
Energy Efficiency Programs

ENERGY EFFICIENCY
FUNDS AND
PROSPECTIVE
REALLOCATION
FLEXIBILITY

This matter comes before the Public Service Commission of South Carolina ("Commission") on the requests of Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company") to (1) change the allocation of funds for energy efficiency programs and (2) for prospective independent authority to annually reallocate up to \$15,000 per program. These programs, approved by Order No. 2010-390 (May 27, 2010), are a Residential Low-Income Weatherization Program, a High-Efficiency Equipment Rebate Program, and a Customer Education Program. An annual cap of \$350,000 was set by that Order to be allocated between these programs, authorizing Piedmont to expend \$150,000 on the Residential Low-Income Weatherization Program, \$150,000 on the High-Efficiency Equipment Rebate Program, and \$50,000 on the Customer Education Program.

As the Company has administered the programs, Commission approval has been required annually to reallocate unspent funds to the High-Efficiency Equipment Rebate

Program.¹ On March 1, 2013, the Commission issued Order No. 2013-113, which approved the extension of the Energy Efficiency Programs for an additional three years, and, in addition to reallocating program funds, also encouraged Piedmont to determine whether the funding allocation could be made more effective.

In its current filing, the Company states the funding reallocations have enabled the High-Efficiency Equipment Rebate Program to operate efficiently and at a level that is consistently matched with customer interest. Piedmont also states that the Residential Low-Income Weatherization Program and the Customer Education Program have been effective at the reallocated funding levels over these past several years. Accordingly, the Company proposes realigning funds in a manner that is consistent with this experience. As a result, Piedmont suggests revised annual funding of \$15,000 for the Customer Education Program, \$115,000 for the Residential Low-Income Weatherization Program, and \$220,000 for the High-Efficiency Equipment Rebate Program to start in this program year. Additionally, the Company seeks the flexibility to reallocate up to \$15,000 per program without separately requesting additional approval.

The Office of Regulatory Staff has reviewed this matter and has no objection. We have also reviewed the matter and find that the above requests are in the public interest. We further find that the flexibility to reallocate up to \$15,000 between the above mentioned programs will allow Piedmont to maximize the effectiveness of the Energy Efficiency Program funds.

¹ Order No. 2011-52 (January 18, 2011), Order No. 2012-72 (February 2, 2012), and Order No. 2013-113 (March 1, 2013).

IT IS THEREFORE ORDERED:

- 1. The changes in the allocation of Energy Efficiency Program funds proposed by Piedmont are approved to begin in this program year as follows: \$15,000 for the Customer Education Program, \$115,000 for the Residential Low-Income Weatherization Program, and \$220,000 for the High-Efficiency Equipment Rebate Program.
- 2. The request for prospective flexibility to independently reallocate up to \$15,000 per program is granted.
- 3. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

G. O'Neal Hamilton, Chairman

ATTEST:

Nikiya Half, Vice Chairman

(SEAL)